GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:4084
ANSWERED ON:10.08.2017
FDI in Textile Sector
Lakhanpal Shri Raghav

Will the Minister of TEXTILES be pleased to state:

(a) the details of Foreign Direct Investment (FDI) in textile sector during each of the last three years, location −wise and State-wise, including Rajasthan;

(b) the impact of FDI in the overall development of the textile sector;

(c) whether the Government has taken any measures to ensure that the benefits of FDI has reached the entire range of textile sectors from artisan/weavers/garment workers to the industrialists; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE FOR TEXTILES
(SHRI AJAY TAMTA)

(a) & (b): The amount of the Foreign Direct Investment (FDI) made in the textile sector during each of the last three years, location-wise and Statewise, including Rajasthan, is given at Annexure-I.

FDI in Textile sector has been less than one percent of total FDI inflows in the Country as may be seen from Annexure-I. However, FDI facilitates flow of capital, technology, skill and best practices, and also ensures flow of indirect benefits such as enhanced production, exports and employment generation in the recipient country.

(c) & (d): Yes Madam. The Government provides for 100% FDI under the automatic route in the textile sector without any prior approval from the Government or RBI. As far as retail segment is concerned, the Government has ensured that the interest of the domestic and traditional industries encompassing craftsman, weavers etc is protected by ensuring investment in backward infrastructure besides earmarking of 30% procurement from MSME units by the investor.